

## § 1709.8

satisfied. RUS financial assistance under this part may not be used to satisfy the judgment.

### **§ 1709.8 Electronic submission.**

Applicants may submit applications and reports electronically if so provided in the applicable grant announcement and grant agreements or if other regulations provide for electronic submission. Any electronic submissions must be in the form prescribed in the applicable grant announcement, grant agreement, or regulation.

### **§ 1709.9 Grant awards and advance of funds.**

The grantee must execute a grant agreement that is acceptable to the Agency. The grantee must sign and return the grant agreement to the Agency, within the time specified, before any grant funds will be advanced.

### **§ 1709.10 Ineligible grant purposes.**

Grant funds under this part may not be used to:

(a) Pay costs of preparing the application package for funding under programs in this part, or for any finders fees or incentives for persons or entities assisting in the preparation or submission of an application.

(b) Fund political activities;

(c) Pay any judgment or debt owed to the United States; or

(d) Pay construction costs of the project incurred prior to the date of grant award except as provided herein. Construction work should not be started and obligations for such work or materials should not be incurred before the grant is approved.

(1) Applicants may request Agency approval for reimbursement of pre-award construction obligations if there are compelling reasons for proceeding with construction before grant approval. Such requests may be approved if the Agency determines that:

(i) Compelling reasons, as determined by the Agency, exist for incurring obligations before grant approval;

(ii) The obligations will be incurred for authorized grant purposes;

(iii) All environmental requirements applicable to the Agency and the applicant have been met;

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(iv) The applicant has the legal authority to incur the obligations at the time proposed, and payment of the debts will remove any basis for any mechanic's, material, or other liens that may attach to the grant financed property; and

(v) The expenditure is incurred no more than 18 months before the date of the Administrator's approval of the grant award.

(2) The Agency may authorize payment of approved pre-award project construction obligations at the time of award approval. The applicant's request and the Agency's authorization for paying such obligations shall be in writing.

### **§ 1709.11 Award conditions.**

In addition to all other grant requirements, all approved applicants will be required to do the following:

(a) Enter into a grant agreement with the Agency in form and substance acceptable to the Agency;

(b) Request advances or reimbursements, as applicable, as provided in the grant agreement; and

(c) Maintain a financial management system that is acceptable to the Agency.

### **§ 1709.12 Reporting requirements.**

To support Agency monitoring of project performance and use of grant funds, Grantees shall file periodic reports, required under 7 CFR part 3015, as provided in this part, and the grant agreement as follows:

(a) A financial status report listing project expenditures by budget category in such form and at such times as provided in the grant agreement.

(b) Project performance reports in such form and at such intervals as provided in the grant agreement. The project performance report shall compare accomplishments to the objectives stated in the proposal and grant agreement. The project performance report should identify all completed tasks with supporting documentation. If the project schedule as approved in the grant agreement is not being met, the report should discuss the problems or delays that may affect completion of

the project. Objectives for the next reporting period should be listed. Compliance with any special condition on the use of award funds should be discussed. Reports are due as provided in the grant agreement.

(c) A final project performance report with supporting documentation in such form and at the time specified in the grant agreement.

(d) Such other reports as the Agency determines are necessary to assure effective grant monitoring as part of the grant agreement or the grant announcement as a condition of the grant award or advances of funds.

#### **§ 1709.13 Grant administration.**

The authority to approve administrative actions is vested in the Administrator except as otherwise provided in the RUS delegations of authority. Administration of RUS grants is governed by the provisions of this subpart and subpart B of this part, the terms of the grant agreement and, as applicable, the provisions of 7 CFR parts 3015, 3016 and 3017, or their successors.

#### **§ 1709.14 Inspections.**

The grantee will permit periodic inspection of the grant project operations by a representative of the Agency.

#### **§ 1709.15 Grant closeout.**

Grant closeout is when all required work is completed, administrative actions relating to the completion of work and expenditure of funds have been accomplished, the final project report has been submitted and found acceptable by RUS and RUS accepts final expenditure information. No monitoring action by RUS of the grantee is required after grant closeout. However, grantees remain responsible in accordance with the terms of the grant agreement for compliance with conditions on property acquired or derived through grant funds.

#### **§ 1709.16 Performance reviews.**

Each grant agreement shall include performance criteria and RUS will regularly evaluate the progress and performance of grantee according to such criteria. If the grantee does not comply with or does not meet the performance

criteria set out in the grant agreement, the Administrator may require amendment of the grant agreement, or may suspend or terminate the grant pursuant to 7 CFR 2015, subpart N.

#### **§ 1709.17 Environmental review.**

(a) All grants made under this subpart are subject to the requirements of 7 CFR part 1794 or its successor.

(b) Applicants must address environmental aspects of their projects in the grant application in sufficient detail to allow the Agency to categorize the project for purposes of compliance with environmental review requirements. The grant announcement will establish the form and content of the environmental information required for the application.

(c) Projects that are selected for grant awards by the Administrator will be reviewed by the Agency under 7 CFR part 1794 prior to final award approval. The Agency may require the selected applicant to submit additional information, including an environmental report, environmental assessment, or environmental impact statement, as may be required, concerning the proposed project in order to complete the required reviews and to develop any project-specific conditions for the final grant agreement.

#### **§ 1709.18 Civil rights.**

This program will be administered in accordance with applicable Federal Civil Rights Law. All grants made under this subpart are subject to the requirements of title VI of the Civil Rights Act of 1964, which prohibits discrimination on the basis of race, color or national origin. In addition, all grants made under this subpart are subject to the requirements of section 504 of the Rehabilitation Act of 1973, as amended, which prohibits discrimination on the basis of disability; the requirements of the Age Discrimination Act of 1975, which prohibits discrimination on the basis of age; and title III of the Americans with Disabilities Act, which prohibits discrimination on the basis of disability by private entities in places of public accommodations. Grantees are required to comply with certain regulations on nondiscrimination in program services and benefits